(d) whether these roads would be fully metalled?

THE MINISTER OF RURAL DEVELOPMENT (SHRI RAGHUVANSH PRASAD SINGH): (a) The Ministry of Rural Development has released an amount of Rs. 252.21 crore to Himachal Pradesh during the years 2003-04 to 2005-06 for implementation of PMGSY works.

(b) The Ministry has approved 1180 road works in Himachal Pradesh upto March, 2006 at an estimated cost of Rs. 946.70 crore. The names of these road works are available on the website *www.omms.nic.in*. During the year 2006-07 another 326 road works have also been approved at an estimated cost of Rs. 406.38 crore.

(c) The Nandla to Jhalwari road work has been cleared by the Ministry on 29.5.2006. According to the PMGSY guidelines, road works are to be completed within 15 months from the date of clearance. The road from Jhalwari to Maghara, comprising two link roads, has not yet been proposed by the State Government. Road work from Jaingla to Gumna is lower in priority as the population of the terminal habitation is less than 500.

(d) There is no proposal under PMGSY from State Government for metalling of these roads, except Nandla to Jhalwari which has been approved under PMGSY.

Adverse impact of import of cheap palm oil and vegetable oil

†1. SHRI PYARELAL KHANDELWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that more than 50 per cent of mills and vegetable oil industries in the country are facing closure due to import of cheap palm oil and duty free import of vegetable oil from Nepal;

(b) whether it is a fact that the remaining functional mills are on the verge of closure;

(c) if so, the details thereof; and

(d) the action Government are going to take to get rid of such a situation?

†Original notice of the question was received in Hindi.

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (c) Under India-Nepal Treaty of Trade, duty-free facility for import of vanaspati from Nepal into India is restricted to one lakh metric tonnes per year and this import is done through the State Trading Corporation of India (STC) and distributed all over India to minimize its impact on any particular region. There is no duty-free import of palm oil from Nepal.

It has been reported that out of 264 units of vegetable oil (Vanaspati) in the country, at present 148 units are either closed/non-functional. The reasons underlying the closure of vanaspati units include creation of production capacity not commensurate with availability of raw materials, obsolete technology, poor economies of scale, competition from duty free import of vanaspati from Nepal and Sri Lanka. It cannot, therefore, be concluded that the reason for closure is solely due to import of duty-free vanaspati from Nepal.

(d) Some of the steps taken to improve the health of vegetable oil industry include—

(i) Import of oilseeds/edible oils except copra/coconut oil has been allowed on Open General Licence (OGL).

(ii) Import duty on certain vegetable oils of edible grade intended for manufacture of refine oil/vanaspati is levied at a concessional rate.

(iii) Import duty on certain crude vegetable oils of edible grade has been kept low as compared to refined oils to facilitate raw material availability. With effect from 11.8.2006 the Customs Duty on Crude Palm Oil has been reduced from 80% to 70% whereas custom duty on Refined Palm Oil/Refined bleached deodorised (RBD) Palmolein has been reduced from 90% to 80%.

(iv) In order to encourage production of solvent extracted oils in the country and to promote export of extractions, excise duty on food grade hexane has been reduced from 32% to 16%.

(v) Excise duty on refined edible oils/vanaspati/interesterified fat etc. has been withdrawn.

(vi) Import duty on vanaspati, bakery shortening, interesterified fact, margarine has been raised from 30% to 80%.

(vii) Duty-free import of vanaspati including bakery shortening and margarine from Sri Lanka under India-Sri Lanka Free Trade Agreement (ISFTA) has also been restricted to 2.5 lakh metric tonnes per year.

(viii) In order to harmonize the interests of farmers, processors and consumers, the import duty structure on edible oils is reviewed from time to time.

(ix) Tariff value is fixed from time to time for palm oil and its products and soyabean oil.

(x) Edible oils including vanaspati have been kept in the Negative List of India under the Agreement on South Asian Free Trade Area (SAFTA) which has become operational from 1.7.2006. It has also been decided that these items would be kept in the negative list of prospective free trade agreements or similar agreements.

Export of pharmaceutical and chemical items

2. SHRI DWIJENDRA NATH SHARMAH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of pharmaceutical and chemical items being exported to the various countries;

(b) the value of export made to these countries during the last three years; and

(c) what steps are being taken by Government to increase the exports and to earn huge foreign exchange?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Various pharmaceutical items and basic chemicals being exported globally include drugs, drug-intermediates, formulations, vaccines, herbal products, dyes & dye-intermediates, inorganic, organic & agro chemicals, cosmetics and agarbattis.